

DRAFT REPORT - Longview Refining Associates
TCEQ CCEDS INVESTIGATION: No. 379072

INTRODUCTION

On 04/14/2005, 04/22/2005 and 04/25/2005, Environmental Investigator Dale Vodak of the TCEQ Region 5 Tyler conducted an IHW CSE - Onsite Followup Investigation at the Longview Refining Associates (LRA) refinery located at 601 Premier Road in Longview, Gregg County. A brief chronology of the multi-day investigation is as follows:

04/14/2005 @ 0900 Hours - Environmental Investigators, Dale Vodak (Lead), Tom Erny and Colleen Fleming from TCEQ Region 5 Tyler met at the front entrance of the closed LRA site with representatives of the EPA and the City of Longview (COL) Fire Department (FD). EPA representatives included On-Scene Coordinator Pat Hammack and Site Assessment Manager Jon Rinehart. COL/FD was represented by Russell Marshal, and Fire Marshal Davis Whitehurst. The investigation team entered the site through a large hole in the perimeter fence. The team screened for air contaminants with portable detection instruments: a Mini-RAE PID and V-RAE multi-gas detector. The team also screened a number of tanks and containers at the site with an ISG K-90 Talisman Thermal Imager, looking for liquid lines.

The team observed that the LRA site had apparently been abandoned for some time by the former owners. The buildings and equipment on-site were significantly degraded since the last time Region 5 investigators were on the property in 2001. The roofs of the plant office and the lab storage shed (Photos 22-24) had failed, and all of the records and equipment inside these buildings have been ruined by moisture. The office building is now in such poor condition, that it is threatening to collapse. The process areas of the plant were heavily overgrown with vegetation, brush and small trees. The plant wastewater system had degraded significantly since the last investigation and the treatment ponds were full of weeds and cattails (Photos 44 - 47).

During this day of the investigation, the investigators also discovered six groundwater monitor wells at the site. These wells were all secured with locks, but the protective casings were rusted and in poor condition. The keys to the well locks were not available to the team. The locations of these wells have been noted on the site map (Photo 52, and the site diagram, Attachment #1).

This day of the investigation ended at 1130 Hours.

04/22/2005 @ 0945 Hours - During the second day of the investigation, the investigator was accompanied by TCEQ Region 5 Tyler, Environmental Investigator Tom Erny. At the start of the investigation, the two investigators met at the facility with Gregg County Precinct #2 Commissioner Daryl Primo and his assistant, Lee Kelly.

The two investigators conducted a walking tour of the site. A machete was used to cut away

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overgrown vegetation in the area of some of the process units so that entry could be achieved. This day of the investigation ended at 1200 Hours.

04/25/2005 @ 1000 Hours - During the third day of the investigation, the investigator was unaccompanied, and as such did not enter into buildings or heavily overgrown areas of the plant. During the walking tour, the investigator observed another groundwater monitor well in the open area between the office building and the lab. This brings the total number of groundwater monitor wells on-site to seven. The investigator also observed a new release of diesel fuel at the site located inside the Vacuum Unit (Photos 53-54). This on-site investigation ended at 1100 Hours.

04/22/2005 @ 0945 Hours - During the second day of the investigation, the investigator was accompanied by TCEQ Region 5 Tyler, Environmental Investigator Tom Erny. At the start of the investigation, the two investigators meet at the facility with Gregg County Precinct #2 Commissioner Daryl Primo and his assistant, Lee Kelly.

The two investigators conducted a walking tour of the site. A machete was used to cut away overgrown vegetation in the area of some of the process units so that entry could be achieved.

This day of the investigation ended at 1200 Hours.

04/25/2005 @ 1000 Hours - During the third day of the investigation, the investigator was unaccompanied, and as such did not enter into buildings or heavily overgrown areas of the plant (Photo 50). During the walking tour, the investigator observed another groundwater monitor well (Photo 51) in the open area between office building and the lab. This brings the total number of groundwater monitor wells on-site to seven. The investigator also observed a new release of diesel fuel at the site located inside the Vacuum Unit at the site (Photos 53-54). This on-site investigation ended at 1100 Hours.

Since the LRA facility had been abandoned by the former owners, there was no exit interview. All of the records at the plant site appear to have been destroyed or lost, so a record review was not conducted. The investigation did involve records at the Tyler Regional Office. In addition, a copy of the "February, 2001 Screening Site Inspection Report" prepared by the TCEQ Site Discovery and Assessment Program Staff was reviewed. This report confirms that the groundwater sampled from the site had been impacted with varying amounts of the following volatile organic chemicals and heavy metals: Acetone, 2-Butanone, Cyclohexane, Methylcyclohexane, Toluene, Ethylbenzene, Xylenes, Isopropylbenzene, 2-Methylnaphthalene, Aluminum, Barium, Chromium, Copper, Lead, and Zinc (Attachment #2). A full copy of this report is available in the Region 5 Tyler files.

During the investigation, the investigator documented that LRA has still not complied with the provisions of the 03/15/1995 Agreed Order (Attachment #3). Additional comments pertaining to ongoing violations are noted under Areas of Concern, but no new violations were noted.

GENERAL FACILITY AND WASTE PROCESS INFORMATION

LRA is an inactive petroleum refinery. The plant has been inactive since 08/1992. During the current investigation, several units at the site were still storing waste materials. These included tanks, container storage areas, three API separators, six wastewater surface impoundments and the various refinery process units. None of the units at the LRA facility have been in operation since 1992. During previous investigations, facility personnel had indicated that process equipment and piping at the LRA site had been "pickled" (filled with diesel fuel to prevent internal corrosion).

Since 1992 when the refinery closed, TCEQ and the EPA have conducted two emergency response actions to abate releases of hazardous materials from leaking containers at the site. Further degradation and breakdown of the on-site equipment is probable at the LRA site and should be expected.

BACKGROUND

The following outline is a brief chronology of events which have occurred since the issuance of the Agreed Order on 03/15/1995. Comments have been added as appropriate to each date.

03/15/1995 - LRA entered into Agreed Order (AO), Docket No. 95-0417-IHW-E (Attachment #3), with the Commission to resolve both industrial waste and hazardous waste, and water quality violations (Attachment #4). The AO required LRA to perform an assessment of releases on-site, cleanup of releases and closure of the waste management units on-site. Based on the current investigation, all of the ordering provisions in the AO are currently unresolved.

12/27/1996 through 05/16/1997 - State-Lead Emergency Response to a diesel fuel range contaminant discovered in the creek located at the front of the plant below the LRA loading rack.

01/16/1997 - Comprehensive Evaluation Investigation (CEI) at the LRA Plant.

5/16/1997 - Record Review Investigation conducted as a followup to a discharge of diesel range contaminants discovered in the creek.

05/07/1998 - EPA Region 6 conducts a wastewater investigation at the LRA plant.

05/27/1999 - CEI conducted at the LRA plant.

07/02/1999 - LRA files for Chapter 11 bankruptcy in the United States Bankruptcy Court for the Eastern District of Texas (USBCEDT), Case #99-61379.

08/02/1999 - LRA wastewater permit expired (TNRCC Permit No. 00572, NPDES Permit No. TX00000531).

12/15/1999 - Initial site visit by TNRCC Site Assessment and Management Section (SAMS) survey team.

04/24-28/2000 - Sampling event conducted by TNRCC SAMS team at the LRA site.

02/2001 - TNRCC SAMS team issued final report (two volumes) titled "Screening Site Inspection Report Longview Refining Associates, Inc. Longview Gregg county . This report documented groundwater and soil contamination at the LRA site.

06/25-28/2001 - EPA conducts a Federal removal action in response to leaking containers at the LRA site.

09/21/2001 - The Texas Attorney General's Office, representing the TCEQ, files an unsecured claim with the USBCEDT for the unpaid \$88,000 penalty agreed to by LRA in the AO.

04/05/2002 - The LRA Chapter 11 Bankruptcy case was dismissed by the USBCEDT.

03/28/2005

Investigator Dale Vodak of the TCEQ Region 5 Tyler Office received a call from Gregg County Precinct #2 Commissioner Darryl Primo's Office seeking information pertaining to the closed Longview Refining Associates (LRA) refinery. Based on this contact and the lack of recent information in the Region's files, an investigation was scheduled at the LRA site on 04/14/2005.

04/14/2005 - First day of IHW CSE - On-site Followup Investigation (OSFU) at the LRA site.

04/22/2005 - 2nd day of IHW CSE - OSFU at LRA site.

04/25/2005 - 3rd day of IHW CSE -OSFU at the LRA site.

05/05/2005 - Gregg County Judge Bill Stoudt notified the TCEQ Region 5 Tyler in writing that Gregg County will be securing the LRA site and increasing police patrols of the area (Attachment #5).

05/26/2005 - Call from Mike Bills, Gregg County Engineer, confirming that the new fence is up, the holes in the perimeter fence have been repaired, and Gregg County locks have been placed on the gates (Attachment #6, Phone Memo).

ADDITIONAL INFORMATION

During the LRA bankruptcy proceedings, the three local governmental taxing entities: Gregg County, Pine Tree Independent School District (ISD), and the City of Longview, jointly acquired the LRA property in lieu of unpaid property taxes. A copy of the Gregg County Appraisal District records confirms that these entities hold title to the LRA property (Attachment #7).

When the Gregg County Precinct #2 Commissioner's office contacted the TCEQ Region 5 Tyler on 03/28/2005, they were seeking information about the LRA facility. A group of investors had approached the Gregg County Commissioners Court (GCCC) with a proposal to re-develop the property and/or re-open the old refinery. The investigator confirmed that the LRA site had been under formal enforcement by the TCEQ (former TNRCC) since early 1992.

Initially, the Region had some concerns that these entities might have become responsible parties by acquiring the property. However, in the Texas Health & Safety Code, §361.271(b), there is an exclusion from responsibility for solid wastes associated a property acquired by a "political subdivision" (ie.: Gregg County, COL and Pine Tree ISD) through bankruptcy, tax delinquency, abandonment or other circumstances. As such, these entities have been determined as not liable for the solid wastes remaining at the LRA site.

During their weekly meeting on Wednesday 03/30/2005 (Attachment #8), the GCCC, voted to accept an option proposal (Attachment #9) for the redevelopment of the LRA property. A presentation was made by Gregg County Refining (GCR). Pine Tree ISD and the City of Longview also agreed to the option proposal. The option remains in place for a period of one year from the date of the contract execution. If GCR exercises this option within the next year, then they can either re-develop the property or attempt to re-open the refinery.

Several years ago in a similar situation, the TCEQ Region 5 Tyler experienced the "re-development" of the former Tucker Refinery property in Anderson County. A salvage company came in unannounced to the Tucker Refinery site and removed all of the scrap metal and left all of the wastes behind. The Tucker site has ultimately ended up in State-Superfund.

The TCEQ Region 5 Tyler is very concerned about the quantities of wastes stored at the LRA site, which were observed during the current investigation. These include: corrosive, ignitable and unknown chemicals. In addition there are a number of listed hazardous wastes present at the site that remain un-managed due to site abandonment. These materials include unknown quantities of the remaining listed wastes:

- * K048 - dissolved air float from wastewater treatment (Tanks 20 B);
- * K049 - slop oil emulsion solids (Tank 20B);
- * K050 - heat exchanger bundle cleaning sludge (Photo 40);
- * K052 - leaded tank bottoms,
- * K169 - crude oil storage tank sediments;
- * K170 - clarified slurry oil tank sediment;
- * K171 - Hydro-treating catalyst; and
- * K172 - Spent Hydro-treating Catalyst.

If GCR exercises it's option the Region will be working with GCR to bring the site into compliance with the appropriate statutes.

AREAS OF CONCERN

During the three days of the investigation, the investigator observed that unauthorized individuals (vandals and/or thieves) have previously entered the plant site and have:

- 1) Destroyed, damaged or removed portions of the process equipment,
- 2) Removed significant portions of the copper electrical cables within the process areas of the plant (Photos 1, 5, 7, 8, 9, 10) and the remnants of the cable sheathing were scattered in piles across the site (Photo 4);
- 3) Had cut at least three large holes in the LRA plant perimeter fence;
- 4) Have broken out doors and windows in all the offices and buildings;
- 5) Have stolen all of the brass fire nozzles and equipment from monitors and fire hoses;
- 6) Used fire hoses as swings (Photo 1);
- 7) Thrown jars of chemicals from the lab around the site and splashed cans of paint on equipment and inside buildings (Photos 10 - 12);
- 8) Have removed locks from the perimeter gate along the railroad tracks; and
- 9) Graffiti has also been painted on structures and equipment at the site (Photos 7 - 9).

With the completion of the new fence and the increased patrols around the LRA site, Gregg County has reduced the potential for a catastrophic release of stored waste materials.

The investigators also observed that ongoing releases of various hazardous materials were ongoing at the site. These materials include:

- 1) Carbon black, ceramic catalyst balls, and other miscellaneous trash spilled inside the plant warehouse (Photos 3 - 5);
- 2) Diesel waste spilled inside the firewall of Tank #23 (photo 2);
- 3) An unknown oily waste spilled on the pavement in the central area of the plant (Photos 10 - 11);
- 4) Heater exchanger bundle sludge was visible on the perimeter roadway on the west side of Tank 39 (Photos 25-26); and
- 5) Releases of diesel fuel and oil were observed from equipment inside the Vacuum, Lithofiner / BSCM and the Hydrofiner - Powerformer Units (Photos 38, 40, 41, 44 - 47, 53, and 54).

In addition, several unregistered container storage areas and tanks of wastes were observed during the investigation. These include:

- 1) A stack containing 65 drums, and a number cardboard boxes of unknown materials were observed stored in the old plant warehouse. Eight metal and plastic barrels with corrosive labels were also stored in the same area as the unknown materials (Photos 3 & 6), as well as a number of buckets of lubricants and paints. None of these containers had been present in the warehouse following the emergency removal action conducted by EPA on 06/25-28/2001;
- 2) A 200 gallon container of hydrochloric acid (Photo 30) adjacent to the large heat exchanger located on the NW corner of the Crude Unit;
- 3) Four barrels of refiner catalyst, stacks of old insulation and numerous cans of paint were stored in the small shed located between Tank 19 and the Change House (Photos 34 - 37);
- 4) Inside and around the Plant Lab building numerous leaking containers of unknown

- materials, chemicals and reagents were observed (Photos 13 - 21);
- 5) Throughout the plant were a number of small unlabeled skid mounted tanks (Photos 27, 28, 29, and 44 - 50);
 - 6) Thermal imaging showed that caustic storage Tank 11B, was approximately 1/4 full of liquid (Photo 29);
 - 7) A degraded, 1/2 full, plastic barrel of hydrogen peroxide was found next to the final API Separator (NOR Unit 013) located S of the Lab (Photo 43). The investigator observed this same barrel on-site during the CEI inspection in 10/27/1991 - 11/06/1991.
 - 8) Tank 20B, one of the Slop Oil Emulsion tank was also found to be full of waste; and
 - 9) Insulation jackets at various locations inside the plant have been damaged or removed which has the potential to release insulation constituents to the atmosphere (Photo 32, 35, 39, 41 42, & 50). Previously LRA listed asbestos waste on its Notice of Registration (Attachment #10, page 3), so some of the spilled insulation may contain asbestos.

These releases and the threatened releases are part of the ongoing violation of 30 TAC 335.4 - General Prohibition on Pollution. The unregistered units and wastes at the site are part of the ongoing violation of 30 TAC 335.6 - Notification Requirements. Both of these violations were covered in the 04/15/1995 Agreed Order.

CONCLUSION

With the dissolution of Longview Refining Associates through bankruptcy, there is currently no party responsible for the wastes at the site. The Region would like to request that an emergency removal action be conducted by the Agency or the EPA to remove the leaking and degraded containers (drums and tanks) of waste at the site. Continued weathering and degradation of the site will only lead to future releases which could significantly impact the surrounding community.

If there are any questions regarding this investigation please feel free to contact Mr. Dale Vodak, Environmental Investigator, for the TCEQ Region 5 Tyler Office.